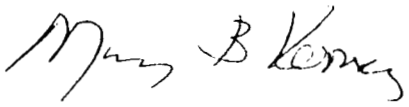
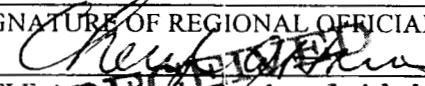


TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL		1. TRANSMITTAL NUMBER: 04-12	2. STATE: Minnesota
FOR: HEALTH CARE FINANCING ADMINISTRATION		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE April 1, 2004	
5. TYPE OF PLAN MATERIAL (Check One): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)			
6. FEDERAL STATUTE/REGULATION CITATION 42 CFR 447.201(b)		7. FEDERAL BUDGET IMPACT: a. FFY '04 \$2.5 b. FFY '05 \$10	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Att. 4.19-B, page 19		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable): same <u>Minnesota 104-12</u> <u>Approved: 09/10/04</u> <u>Effective: 04/01/04</u>	
10. SUBJECT OF AMENDMENT: Rates: CRNA Services			
11. GOVERNOR'S REVIEW (Check One): <input checked="" type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: Stephanie Schwartz Federal Relations Unit Minnesota Department of Human Services 444 Lafayette Road No. St. Paul, MN 55155-3852	
13. TYPED NAME: Mary B. Kennedy			
14. TITLE: Medicaid Director			
15. DATE SUBMITTED: June 29, 2004			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED: 6/30/04		18. DATE APPROVED: 9/10/04	
PLAN APPROVED - ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL: April 1, 2004		20. SIGNATURE OF REGIONAL OFFICIAL: 	
21. TYPED NAME: Cheryl A. Harris		22. TITLE: Assistant Regional Administrator Division of Medicaid and Children's Health	
23. REMARKS:			

JUN 30 2004
DMCH - M/MN/WI

STATE: MINNESOTA
Effective: April 1, 2004
TN: 04-12
Approved: SEP 10 2004
Supersedes: 00-28

ATTACHMENT 4.19-B
Page 19

6.d. Other practitioners' services. (continued)

D. **Administration of anesthesia by certified registered nurse anesthetists (CRNAs)** provided in an outpatient setting are paid the lower of:

- (1) submitted charge; or
- (2) (a) if the services are not provided under the medical direction of an anesthesiologist:

$$(\text{relative base value units} + \text{time units}) \times (\text{Medicare CRNA conversion factor}); \text{ OR}$$

(b) if the services are provided under the medical direction of an anesthesiologist:

$$[(\text{relative base value units} + \text{time units}) \times (\text{Medicare CRNA conversion factor}) / 2] \times 1.264$$

- Pursuant to page 1 of this Attachment, critical access hospitals are paid on a cost-based payment system for CRNA services based on the cost-finding methods and allowable costs of Medicare, if they apply and qualify for the CRNA direct billing exemption under Medicare Part B.
- Hospitals continue to be paid for ~~hospital-employed~~ CRNA services as part of the prospective payment system specified for inpatient hospital services in Attachment 4.19-A, unless CRNA services were not in the hospital's base rate. If CRNA services are not part of the hospitals' base rate, they are paid as specified in items (1) and (2), above.

~~Hospitals continue to be paid for hospital employed CRNA services through the payment system for outpatient hospital services specified in item 2.a. of this Attachment.~~

Certified registered nurse anesthetist services that are not administration of anesthesia are paid as specified in item 5.a., Physicians' services.

* one time unit equals 15 minutes